

Inpatient rehabilitation facility services: Assessing payment adequacy and updating payments

ISSUE: Are payments for inpatient rehabilitation facilities (IRFs) adequate? How should payments for fiscal year 2007 be updated?

KEY POINTS: We examine the following factors to determine whether payments for IRFs in fiscal year 2006 are adequate:

- supply of facilities
- volume of services and access to care
- quality
- access to capital
- payments and costs

We then examine how costs are likely to change in 2007 and present a draft recommendation.

ACTION: Commissioners should discuss the draft recommendation, which will be presented at the meeting.

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